

Subject: Defense Health Program – TRICARE for Reservists		DoD Serial Number:
Appropriation Title: Various Appropriations		FY 04-21 PA
		Includes Transfer? Yes

Component Serial Number:	<i>(Amounts in Thousands of Dollars)</i>							
	Program Base Reflecting Congressional Action		Program Previously Approved by Sec Def		Reprogramming Action		Revised Program	
Line Item	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
a	b	c	d	e	f	g	h	i

This reprogramming action is submitted for prior approval because it uses general transfer authority pursuant to section 8005 of Public Law 108-87, the Department of Defense Appropriations Act, 2004; section 1001 of Public Law 108-136, the National Defense Authorization Act for Fiscal Year 2004. This action transfers \$400.0 million from various appropriations to the Defense Health Program, Defense, 04/04, appropriation. This action reprograms funding in support of a higher priority item, based on unforeseen military requirements, than that for which the funds were originally appropriated. This action meets all administrative and legal requirements of the Congress, and the Congress has not denied any of the items. The action involves a congressional special interest item.

<u>FY 2004 REPROGRAMMING INCREASE:</u>	+400,000 +278,234
<u>Defense Health Program, 04/04</u>	+400,000 +278,234
<u>Budget Activity 1: Operation and Maintenance</u>	
Private Sector Care	7,420,972 7,420,972 +400,000 7,820,972
	+278,234 7,699,206

Explanation: The reprogramming increase makes \$400 million available to support the enhanced access to health care for Reserve Component Service members and their families as authorized in Sections 702, 703, and 704 of the National Defense Authorization Act for Fiscal Year 2004. No additional resources were provided to the Department to support these new requirements.

<u>FY 2004 REPROGRAMMING DECREASES:</u>	400,000 -278,234
<u>Operation and Maintenance, Air Force, 04/04</u>	26,200
<u>Budget Activity 1: Operating Forces</u>	
	15,623,806 15,623,806 -26,200 15,597,606

Explanation: The decrease represents reductions across Budget Activity 1 that the Air Force applied to various programs to preclude reductions in operations and to minimize the impact on readiness while executing the appropriated FY 2004 program.

Approved (Signature and Date)
Dov S. Zakheim  APR 1 2004

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Operation and Maintenance, Marine Corps, 04/04						-18,900			
Budget Activity 1: Operating Forces									
		3,419,580		3,419,580		-18,900		3,400,680	
Explanation: The decrease represents reductions across Budget Activity 1 that the Marine Corps applied to various programs to preclude reductions in operations and to minimize the impact on readiness while executing the appropriated FY 2004 program.									
National Guard Personnel, Army, 04/04						-138,234			
Budget Activity 1: Unit and Individual Training									
		5,602,502		5,602,502		-138,234		5,464,268	
Explanation: The mobilization of National Guard personnel reduced the amount required to provide reserve training, freeing-up funds to support the congressionally mandated health benefit.									
Reserve Personnel, Army, 04/04						* -121,766			
Budget Activity 1: Unit and Individual Training									
		3,572,226		3,572,226		-121,766		3,450,460	
Explanation: Mobilization of reserve personnel reduced the amount required to provide reserve training, freeing-up funds to support the congressionally mandated health benefit.						<i>PENDING HASC APPROVAL</i>			
Other Procurement, Navy, 04/06						-17,000			
Budget Activity 4: Ordnance Support Equipment									
Aegis Support Equipment		114,827		114,827		-17,000		97,827	
Explanation: Funds are available as a result of the decision to suspend Area Air Defense Commander (AADC) procurement due to testing problems.									
Aircraft Procurement, Navy, 04/06						-19,100			
Budget Activity 3: Trainer Aircraft									
T-48 Training System		22,018		22,018		-19,100		2,918	
Explanation: Funds are available as a result of the inability to award a contract for one aircraft within the appropriated amount.									

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Aircraft Procurement, Air Force, 04/06 **-29,400**
 Inflation Savings **-14,000**

Explanation: These funds are available from FY 2004 inflation savings based on revised escalation indices.

Budget Activity 3: JPATS 278,500 278,500 **-2,500** 276,000

Explanation: Funds are available with minimal impact to the program.

Budget Activity 4: CV-22 216,200 216,200 **-2,500** 213,700

Explanation: Funds are available with minimal impact to the program.

Budget Activity 5: F-16 Mods 312,300 312,300 **-5,000** 307,300

Explanation: Funds are available with minimal impact to the program.

Budget Activity 7: Common Support Equipment
211,600 211,600 **-5,400** 206,200

Explanation: Funds are available with minimal impact to the program.

Research, Development, Test, and Evaluation, Air Force, 04/05 **-29,400**
Budget Activity 5: PE 0604800F Joint Strike Fighter
2,102,747 2,102,747 **-10,200** 2,092,547

Explanation: Funds are available due to program adjustments associated with the revised SDD program as reflected in the FY 2005 President's Budget Request.

Budget Activity 7: PE 0305910F Spacetrack
116,894 116,894 **-12,200** 104,694

Explanation: Funds are available as a result of the development contract award delay for the space based Space Surveillance System.

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<u>Budget Activity 7: PE 0401119F C-5</u>									
			353,541		353,541		-7,000		346,541

Explanation: Funds are available with minimal impact to the program.